



# House of Representatives

General Assembly

**File No. 271**

*January Session, 2009*

Substitute House Bill No. 5946

*House of Representatives, March 26, 2009*

The Committee on General Law reported through REP. SHAPIRO of the 144th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING UNAUTHORIZED MOTOR VEHICLE RECYCLING.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2009*) (a) No person shall  
2 advertise or offer services as a motor vehicle recycler unless such  
3 person is licensed pursuant to sections 14-67g to 14-67w, inclusive, of  
4 the general statutes.

5 (b) The provisions of this section shall not apply to nonprofit  
6 entities.

7 (c) A violation of subsection (a) of this section shall be an unfair  
8 trade practice pursuant to section 42-110b of the general statutes.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2009</i>	New section
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***Statement of Legislative Commissioners:***

The reference to "section 14-67l" in subsection (a) was changed to "sections 14-67g to 14-67w, inclusive," for accuracy.

**GL**        *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note****State Impact:**

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Consumer Protection, Dept.	GF - Revenue Gain	Potential	Potential

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill results in a potential revenue gain to the state due to potential Connecticut Unfair Trade Practices Act (CUTPA) violations in the area of motor vehicle recycling. The number of complaints that are expected to occur in this area are expected to be of a size that the Department of Consumer Protection can handle within existing resources.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

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**OLR Bill Analysis****HB 5946*****AN ACT CONCERNING UNAUTHORIZED MOTOR VEHICLE RECYCLING.*****SUMMARY:**

This bill prohibits individuals from advertising or offering motor vehicle recycling services unless he or she is properly licensed. The bill does not apply to non-profit entities. A violation is an unfair trade practice.

EFFECTIVE DATE: October 1, 2009

**BACKGROUND*****Motor Vehicle Recycler Licensing Requirements***

A “motor vehicle recycler’s business” or “motor vehicle recycler’s yard” includes any business and any place of storage or deposit storing (1) two or more unregistered motor vehicles no longer intended, or in condition, for legal use on the public highways; (2) used parts of motor vehicles; (3) old iron, metal, glass, paper, cordage, or other waste; (4) or discarded or secondhand material which has been or was intended to be a part of any motor vehicle, the sum of which parts or material is equal in bulk to two or more motor vehicles.

To obtain a motor vehicle recycler’s license, applicants must obtain a certificate of approval of the town, city, or borough where the yard or business is located. Applicants must then present to the motor vehicles commissioner (1) the certificate, (2) a \$280 location examination fee, (3) a \$705 location license fee. The commissioner may refuse to grant a license if the applicant, or an officer or major stockholder, has been convicted of a violation of any laws pertaining to the business of a motor vehicle dealer, repairer, or recycler. An applicant must also (1)

certify that the property to be used is in compliance with all applicable statutes and regulations and (2) gain location approval from the environmental protection commissioner.

***Connecticut Unfair Trade Practices Act***

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. The act also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorneys fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violation of a restraining order.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 19      Nay 0      (03/10/2009)